

Claims

- [001] A method practiced with respect to a sponsor having credit and with respect to directors and officers of the sponsor, the method comprising the steps of:
establishing a first trust;
establishing a second trust;
arranging for the first trust to sell securities linked to the credit of the sponsor, the proceeds of the sale defining first value, the sale occurring on a first date;
obligating the first trust to transfer a first portion of the first value to the second trust in the event of a credit event with respect to the sponsor occurring within a first interval of the first date, thereby defining a second portion of the first value in the first trust;
in the event of the credit event, obligating the second trust to provide indemnification and defense services for the directors and officers, the indemnification and defense services paid for by the first portion of the first value.
- [002] The method of claim 1 wherein the credit event is bankruptcy of the sponsor.
- [003] The method of claim 1 wherein, if the first interval passes in the absence of a credit event with respect to the sponsor, the securities are redeemed.
- [004] The method of claim 1 further comprising the step, in the event of the credit event, of redeeming the securities at a price defined by the second portion of the first value.
- [005] The method of claim 4 wherein the second portion of the first value comprises more than half of the value.
- [006] The method of claim 5 wherein the second portion of the first value comprises at least two-thirds of the value.
- [007] The method of claim 1 wherein the first interval is an interval greater than one year.
- [008] The method of claim 7 wherein the first interval is an interval of at least three years.
- [009] The method of claim 8 wherein the first interval is an interval of at least five years.
- [010] The method of claim 1 further comprising the step of:
obligating the second trust, after the passage of a second interval after the credit event, to pay monies left over after provision of the indemnification and defense services to a charity.
- [011] The method of claim 1 further comprising the step of transferring second value from the sponsor to the first trust, said second value selected to induce sale of the securities.
- [012] The method of claim 1 further comprising a first repetition of the steps of claim 1 at a first later time.
- [013] The method of claim 12 further comprising a second repetition of the steps of

claim 1 at a second time later than the first later time.

[014] The method of claim 13 wherein the first later time is a year later, and the second later time is a year after the first later time.

[015] A method practiced with respect to a sponsor having credit and with respect to directors and officers of the sponsor and with respect to a first trust and a second trust, the first trust obligated to sell securities linked to the credit of the sponsor, the proceeds of the sale defining first value, the sale occurring on a first date; the first trust obligated to transfer a first portion of the first value to the second trust in the event of a credit event with respect to the sponsor occurring within a first interval of the first date, thereby defining a second portion of the first value in the first trust; the second trust obligated, in the event of the credit event, to provide indemnification and defense services for the directors and officers, the indemnification and defense services paid for by the first portion of the first value; the method comprising the step of:

transferring second value from the sponsor to the first trust, said second value selected to induce sale of the securities.

[016] The method of claim 15 wherein the credit event is bankruptcy of the sponsor.

[017] The method of claim 15 wherein, if the first interval passes in the absence of a credit event with respect to the sponsor, the securities are redeemed.

[018] The method of claim 15 further comprising the step, in the event of the credit event, of redeeming the securities at a price defined by the second portion of the first value.

[019] The method of claim 18 wherein the second portion of the first value comprises more than half of the value.

[020] The method of claim 19 wherein the second portion of the first value comprises at least two-thirds of the value.

[021] The method of claim 15 wherein the first interval is an interval greater than one year.

[022] The method of claim 21 wherein the first interval is an interval of at least three years.

[023] The method of claim 22 wherein the first interval is an interval of at least five years.

[024] The method of claim 15 further comprising the step of:
obligating the second trust, after the passage of a second interval after the credit event, to pay monies left over after provision of the indemnification and defense services to a charity.

[025] The method of claim 15 further comprising a first repetition of the steps of claim 15 at a first later time.

[026] The method of claim 31 further comprising a second repetition of the steps of claim 15 at a second time later than the first later time.

- [027] The method of claim 26 wherein the first later time is a year later, and the second later time is a year after the first later time.
- [028] A method practiced with respect to a sponsor having credit and with respect to directors and officers of the sponsor, and with respect to a first trust and a second trust, the first trust obligated to sell securities linked to the credit of the sponsor, the proceeds of the sale defining first value, the sale occurring on a first date, the first trust obligated to transfer a first portion of the first value to the second trust in the event of a credit event with respect to the sponsor occurring within a first interval of the first date, thereby defining a second portion of the first value in the first trust; the method comprising the step of:
by an director or officer, receiving indemnification and defense services from the second trust, the indemnification and defense services paid for by the first portion of the first value.
- [029] The method of claim 28 wherein the credit event is bankruptcy of the sponsor.
- [030] The method of claim 28 wherein, if the first interval passes in the absence of a credit event with respect to the sponsor, the securities are redeemed.
- [031] The method of claim 28 further comprising the step, in the event of the credit event, of redeeming the securities at a price defined by the second portion of the first value.
- [032] The method of claim 31 wherein the second portion of the first value comprises more than half of the value.
- [033] The method of claim 32 wherein the second portion of the first value comprises at least two-thirds of the value.
- [034] The method of claim 28 wherein the first interval is an interval greater than one year.
- [035] The method of claim 34 wherein the first interval is an interval of at least three years.
- [036] The method of claim 35 wherein the first interval is an interval of at least five years.
- [037] The method of claim 28 further comprising the step of:
obligating the second trust, after the passage of a second interval after the credit event, to pay monies left over after provision of the indemnification and defense services to a charity.
- [038] The method of claim 28 further comprising the step of transferring second value from the sponsor to the first trust, said second value selected to induce sale of the securities.
- [039] The method of claim 28 wherein the indemnification and defense services comprise legal defense.
- [040] The method of claim 28 wherein the indemnification and defense services comprise payment of claims.

- [041] The method of claim 28 wherein the indemnification and defense services comprise payment of monies in settlement of claims.
- [042] The method of claim 28 further comprising the step, performed before the step of receiving indemnification and defense services, of presenting, by the director or officer, a claim for indemnification and defense services.
- [043] The method of claim 28 further comprising a first repetition of the steps of claim 28 at a first later time.
- [044] The method of claim 56 further comprising a second repetition of the steps of claim 28 at a second time later than the first later time.
- [045] The method of claim 44 wherein the first later time is a year later, and the second later time is a year after the first later time.
- [046] A method practiced with respect to a sponsor having credit and with respect to directors and officers of the sponsor, and with respect to a first trust and a second trust, the first trust obligated to sell securities linked to the credit of the sponsor, the proceeds of the sale defining first value, the sale occurring on a first date, the first trust obligated to transfer a first portion of the first value to the second trust in the event of a credit event with respect to the sponsor occurring within a first interval of the first date, thereby defining a second portion of the first value in the first trust; the method comprising the step of:
by an director or officer, making a claim for indemnification and defense services from the second trust, the indemnification and defense services paid for by the first portion of the first value.
- [047] The method of claim 46 wherein the credit event is bankruptcy of the sponsor.
- [048] The method of claim 46 wherein, if the first interval passes in the absence of a credit event with respect to the sponsor, the securities are redeemed.
- [049] The method of claim 46 further comprising the step, in the event of the credit event, of redeeming the securities at a price defined by the second portion of the first value.
- [050] The method of claim 49 wherein the second portion of the first value comprises more than half of the value.
- [051] The method of claim 50 wherein the second portion of the first value comprises at least two-thirds of the value.
- [052] The method of claim 46 wherein the first interval is an interval greater than one year.
- [053] The method of claim 52 wherein the first interval is an interval of at least three years.
- [054] The method of claim 53 wherein the first interval is an interval of at least five years.
- [055] The method of claim 46 further comprising the step of:
obligating the second trust, after the passage of a second interval after the credit

event, to pay monies left over after provision of the indemnification and defense services to a charity.

- [056] The method of claim 46 further comprising the step of transferring second value from the sponsor to the first trust, said second value selected to induce sale of the securities.
- [057] The method of claim 46 further comprising the step, performed after the step of receiving indemnification and defense services, of receiving, by the director or officer, the indemnification and defense services.
- [058] The method of claim 57 wherein the indemnification and defense services comprise legal defense.
- [059] The method of claim 57 wherein the indemnification and defense services comprise payment of claims.
- [060] The method of claim 57 wherein the indemnification and defense services comprise payment of monies in settlement of claims.
- [061] The method of claim 46 further comprising a first repetition of the steps of claim 46 at a first later time.
- [062] The method of claim 61 further comprising a second repetition of the steps of claim 46 at a second time later than the first later time.
- [063] The method of claim 62 wherein the first later time is a year later, and the second later time is a year after the first later time.
- [064] A method practiced with respect to a sponsor having credit and with respect to directors and officers of the sponsor, and with respect to a first trust and a second trust, the first trust obligated to sell securities linked to the credit of the sponsor, the proceeds of the sale defining first value, the sale occurring on a first date, the first trust obligated to transfer a first portion of the first value to the second trust in the event of a credit event with respect to the sponsor occurring within a first interval of the first date, thereby defining a second portion of the first value in the first trust; the method comprising the step of:
managing indemnification and defense claims from directors or officers made with respect to indemnification and defense services from the second trust, the indemnification and defense services paid for by the first portion of the first value.
- [065] The method of claim 64 wherein the credit event is bankruptcy of the sponsor.
- [066] The method of claim 64 wherein, if the first interval passes in the absence of a credit event with respect to the sponsor, the securities are redeemed.
- [067] The method of claim 64 further comprising the step, in the event of the credit event, of redeeming the securities at a price defined by the second portion of the first value.
- [068] The method of claim 67 wherein the second portion of the first value comprises more than half of the value.

- [069] The method of claim 68 wherein the second portion of the first value comprises at least two-thirds of the value.
- [070] The method of claim 64 wherein the first interval is an interval greater than one year.
- [071] The method of claim 70 wherein the first interval is an interval of at least three years.
- [072] The method of claim 71 wherein the first interval is an interval of at least five years.
- [073] The method of claim 64 further comprising the step of:
obligating the second trust, after the passage of a second interval after the credit event, to pay monies left over after provision of the indemnification and defense services to a charity.
- [074] The method of claim 64 further comprising the step of transferring second value from the sponsor to the first trust, said second value selected to induce sale of the securities.
- [075] The method of claim 64 further comprising the step, performed after the step of receiving a claim for indemnification and defense services, of providing, to the director or officer, the indemnification and defense services.
- [076] The method of claim 75 wherein the indemnification and defense services comprise legal defense.
- [077] The method of claim 75 wherein the indemnification and defense services comprise payment of claims.
- [078] The method of claim 75 wherein the indemnification and defense services comprise payment of monies in settlement of claims.
- [079] The method of claim 64 further comprising a first repetition of the steps of claim 64 at a first later time.
- [080] The method of claim 79 further comprising a second repetition of the steps of claim 64 at a second time later than the first later time.
- [081] The method of claim 79 wherein the first later time is a year later, and the second later time is a year after the first later time.